

Innovation: Can't Afford It?

by John Di Frances

Heard it before? It goes something like this, “ These are tough times, we simply cannot afford to fund innovation - not right now. ” Come again? The boat has a leak and you can't afford to fix it? Regardless of your circumstances, if you fail to innovate now, when the recession ends, your boat may have already sunk.

Winning the innovation game in your industry, whether it be high tech, financial services, healthcare, basic manufacturing or anything in between, can be surprisingly achievable even at relatively low funding levels. Doubtful? Then consider the words of one of the true masters of corporate innovation:

Innovation has nothing to do with how many R&D dollars you have. When Apple came up with the Mac, IBM was spending at least 100 times more on R&D. It's not about money. It's about the people you have, how you're led, and how much you get it.
- Steve Jobs

We live in a day of two great business levelers. One is the internet. It allows small, even minuscule companies, including new start-ups, to compete with large established corporations. The second is innovation.

The employment of focused creativity, ideation and the innovation process also afford a new leveling of the playing field. I have watched large, well funded teams struggle to innovate and come up empty handed. Similarly, I have also witnessed small, under-funded teams create brilliant innovations.

Why? Because although funding and other resources are important, there are other components of the innovation process that are far more important. For instance, culture. Is the organizational culture and specifically that of the team, one of openness, freedom to say and think outside of the established and 'accepted' patterns and boundaries? Is the spirit one of collaboration or competition? Are people more interested in achieving truly innovative outcomes or are protecting turf and fiefdoms the real agenda?

Achieving breakthrough innovation outcomes is far more about your people and leadership than it is about funding. Why has Apple been successful at creating one blockbuster marketplace innovation after another, despite much larger and better funded competitors? The answer: Steve Jobs.

Not that he single-handedly authored these innovations or was necessarily directly involved at the early ideation stages. What he has done at Apple is to create an atmosphere where focused creativity, ideation and innovation could and would flourish. He has created a culture centered on innovation.

And no amount of funding can accomplish what can be done by a corporate culture where people thrive through ideation and innovation. The excitement is contagious and those who are immune don't stay very long. People either 'get it' or they don't in a culture permeated by creative ideation and innovation.

Don't have the money for innovation? Then you are probably looking at innovation from an incorrect perspective. Fundamentally, it is not about money! It is about the atmosphere, culture, leadership mindset and example. In business you propagate what you reward. Do you actively reward those who seek to push the envelope? Or are safety and not 'rocking the boat' the behaviors that are rewarded in your organization?

Your people know the answer to that question, despite what your corporate credos may proclaim. Innovation, like all true leadership questions, are driven top-down, not bottom-up. Regardless of your industry, size, financial resources or the strength of your competitors, you too can become an Apple. All it takes is an affirmative decision at the top to transform your organization into an innovation business.

Strategic Innovation Consulting (www.StrategicInnovation.Consulting) provides Open Innovation and Strategy consulting services to a wide range of corporate, Fortune 100's to startups, not-for-profit and government organizations globally. John Di Frances is Managing Partner.